

REMARKS

Summary of the Office Action

Claims 1-54 are pending in the application. Of these claims, claims 1, 11-20, and 30-38 have been withdrawn from consideration.

Claims 2, 3, 8-10, 21-22, 27-29, 39-43, and 45-47 have been rejected as allegedly obvious over U.S. No. 5,815,657 to Williams et al. ("Williams") in view of U.S. Patent No. 5,287,269 to Dorrough et al. ("Dorrough").

Claims 4 and 23 have been rejected as allegedly obvious over Williams in view of Dorrough and of "AMBALINK UNIVERSAL NEWS SERVICES LIMITED," Universal News Services, PR Newswire, London, June 8, 1999 ("Ambalink").

Claims 5-7 and 24-26 have been rejected as allegedly obvious over Williams in view of Dorrough and of U.S. Patent No. 6,449,601 to Friedland et al. ("Friedland").

Applicant's Response to the
35 U.S.C. 103(a) Rejections

To establish a prima facie case of obviousness, three basic criteria must be met. First, there must be some suggestion or motivation, either in the references themselves or in the knowledge generally available to one of ordinary skill in the art, to modify the reference or to combine reference teachings. Second, there must be a reasonable expectation of success.

Finally, the prior art reference (or references when combined) must teach or suggest all the claim limitations. MPEP 2143.

Applicant respectfully traverses the rejections of claims 2, 3, 8-10, 21-22, 27-29, 39-43, and 45-47 as being obvious over the combination of Williams and Dorrough, because the combination fails to teach or suggest all the claim limitations.

Independent claim 2 is directed to a method wherein a *vendor* receives a request from a user for an electronic transaction; registers the user; sells the user tokens; stores the tokens in an account; lets the user order a product if they have enough tokens to purchase something; receives confirmation of the order from the user; and delivers the purchased product to the user, "wherein the receiving, determining, enabling, transmitting, and delivering are each performed by a server computer of the vendor." That is, claim 2 is directed to a 'closed' system in which the vendor sells, stores, and redeems the electronic tokens.

In contrast, Williams discloses an 'open' in which any of a number of payment instruments may be used to make purchases at any of a number of merchants. A graphical user interface (GUI) is provided to make online transactions more user friendly by using familiar paradigms. Specifically, graphical icons are provided that look like a wallet, purse, credit card and the like. A user is then able to make a purchase at an online store by opening their wallet and selecting a credit card in a manner analogous to making a purchase at a conventional store. Column 1, lines 5-9; column 2, lines 56-column 3, line 9; and column 20, line 40-column 30.

Williams discloses that payment instruments are represented by graphical images virtually identical to the actual instrument, e.g., a Visa card icon represents the user's actual Visa card. When a user authorizes a payment to be made with a specific payment instrument the payment is made from the corresponding 'real' instrument. For example, authorizing a payment with a Visa card in the online wallet results in a charge to the corresponding Visa card account, just as though the actual Visa card had been used.

Williams discloses that a wallet may contain numerous payment instruments, such as "credit cards, electronic checks, electronic money, micropayments (electronic coin), debit and smart cards." Column 17, lines 55-57. With the exception of a credit card payment instrument, no details are provided as to where or how a user acquires a payment instrument. Williams only teaches that credit card payment instruments are obtained from an issuing bank and that payment instruments are used to make purchases from a merchant. There is no disclosure, teaching, or suggestion that the payment instruments are provided by a vendor or merchant from which the user is to make a purchase. Thus, Williams fails to disclose, teach, or otherwise suggest that any payment instrument, such as electronic tokens, are sold by a vendor to a user to be used to purchase products from that vendor as required by claim 2.

The Examiner admits that Williams does not teach a closed system as claimed, but argues that it would be obvious to modify Williams so that the same vendor sells, stores, and redeems the tokens as required by claim 2, because it would result in increases sales and profits for the vendor. However, if a "proposed modification would render the prior art invention

being modified unsatisfactory for its intended purpose, then there is no suggestion or motivation to make the proposed modification." MPEP 2143.01, quoting *In re Gordon*, 733 F.2d 900, 221 USPQ 1125 (Fed. Cir. 1984). Williams expressly states that "the system utilizes electronic representations of money which are designed to be universally accepted and exchanged as economic value by subscribers of the monetary system." Column 1, lines 16-26. To make it more universal, the GUI uses a familiar paradigm so that customers find it easy to use, and the application programming interface (API) is open so that others can develop systems that interface with the payment system. Indeed, a the Williams payment system is of little use to a customer unless it is supported by many web sites the customer frequents or to a merchant unless it is used by many of the merchant's customers. Modifying Williams to make it a closed system would render it unsatisfactory for its intended purpose of being a universally accepted method of payment. Accordingly, there can be no motivation or suggestion to modify Williams as proposed by the Examiner.

A prima facie case that claim 2 is obvious cannot be based on modifying Williams. Claim 39 includes limitations analogous to those recited in claim 2, so a prima facie case that claim 39 is obvious also cannot be based on modifying Williams. Claims 3-10, 21-29, and 40-47 depend from either claim 2 or claims 39. Accordingly, it is respectfully requested that the rejections of claims 2-10, 21-29 and 39-54 as being obvious in view of Williams in various combinations with Dorrough, Ambalink, and Friedland be reconsidered and withdrawn.

CONCLUSION

In view of the foregoing amendments and comments, Applicant respectfully submits that the application is now in condition for allowance. An early and favorable action is earnestly requested.

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Respectfully submitted,

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